APPENDIX 8-C.

[SEE INTRODUCTORY NOTES—PARA. 1.]

Treasury Orders.

With the previous sanction of the Secretary of State in Council, the Governor General in Council is pleased to issue the following general orders under rule 16 of the Devolution Rules :—

SECTION I.—*Short title and date of effect.*

1. These orders may be called the Treasury Orders, and they shall come into force with effect from the 1st March 1922.

SECTION II.—*Definitions.*

2. In these orders :—

(*a*) *The Bank* means the Imperial Bank of India or any branch of the Imperial Bank of India.

(*b*) *Collector* means the chief officer in charge of the revenue administration of a district.

(*c*) *Principal Auditor* is used in the sense in which it is defined in the rules made under section 96-D of the Government of India Act.

(*d*) *Treasury* includes a sub-treasury.

(*e*) *Treasury Officer* means the officer in immediate executive charge of a treasury.

SECTION III.—*Location of moneys standing in the public account.*

3. Moneys standing in the public account must be either retained in a treasury or deposited in the Bank. The conditions under which they are deposited in the Bank are governed by the terms of the agreement of the Secretary of State in Council with the Bank.

SECTION IV.—*General system of treasury control.*

4. Unless in any case the Governor in Council, with the concurrence of the Auditor General, otherwise direct, there shall be in every district a treasury under the charge of a treasury officer. If moneys standing in the public account are, in any district, not deposited in the Bank, the treasury of that district shall be divided into two departments : that of the account, under the charge of an accountant, and that of the cash, under the charge of a treasurer.

5. In any treasury in which a Government servant of the Indian Audit Department has not been appointed, as such, to be treasury officer, the following orders will apply :—

(*a*) The treasury shall be in the general charge of the Collector, who may entrust the immediate executive control to a treasury officer subordinate to him but may not divest himself of administrative control. He shall be responsible for the proper observance of these orders and for the punctual submission of all returns required from the treasury by the Governor General in Council.

(*b*) The duty of verifying and certifying the monthly cash balance, if any, in the treasury, and of submitting monthly accounts in such form or forms and after such verification as the Auditor General may prescribe, shall be undertaken by the Collector or by such other officer as the Governor in Council may specify. It must be performed by the Collector in person at least once in every period of six months.

(*c*) A change of incumbent of the office of Collector shall at once be reported to the principal auditor concerned by the incoming Collector, who shall certify to the principal auditor the amount of the cash balance, if any, which he has taken over. The certificate shall be submitted in such form and after such verification as the Auditor General may prescribe.

6. In any treasury in which a Government servant of the Indian Audit Department has been appointed, as such, to be treasury officer, the duties of the Collector in relation to the custody of moneys in the treasury shall be such as the Governor in Council, with the concurrence of the Governor General in Council, may specify.

SECTION V.—*Payment of Government moneys into the public account.*

7. Except as provided in order 8, all moneys received by Government servants in their official capacity, other than moneys withdrawn from the public account under the provisions of section VIII below, shall without undue delay be paid in full into a treasury or into the Bank and shall be included in the general balances of Government. Departmental receipts shall not be appropriated to meet departmental expenditure except with the sanction of the Governor General in Council.

8. In certain exceptional cases, Government servants may be permitted to open a separate account with a bank and to pay into it moneys received by them in their official capacity. The conditions on which such permission may be given are detailed in Appendix A.

9. (*a*) The procedure to be adopted by Government servants in paying into treasuries moneys derived from sources of provincial revenue and by treasuries in receiving such moneys and granting receipts for them shall be such as may be specified by the Governor in Council, with the concurrence of the Auditor General.

(*b*) The procedure to be adopted by Government servants in paying into treasuries moneys not derived from sources of provincial revenue and by treasuries in receiving such moneys and granting receipts for them shall be such as may be specified by the Governor General in Council.

(*c*) The procedure to be adopted by Government servants in paying moneys into the Bank and by the Bank in receiving such moneys and granting receipts for them shall be such as may be specified by the Governor General in Council.

SECTION VI.—*Custody of moneys standing in the public account.*

10. (*a*) The procedure for the safe custody of moneys in a treasury shall be such as the Governor in Council, with the concurrence of the Governor General in Council, may specify.

(*b*) The Bank is responsible for the safe custody of Government moneys deposited in the Bank.

SECTION VII.—*Transfer of moneys standing in the public account.*

11. The transfer of Government moneys from one treasury to another, and between the currency chest balance and treasury balance of a treasury and between a treasury and the Bank shall be governed by such instructions as the Controller of the Currency may issue in this behalf. It shall not be subject to the orders in section VIII below.

SECTION VIII.—*Withdrawal of moneys from the public account.*

12. *Definition.*—In this section withdrawal means the withdrawal of funds from the public account for expenditure on provincial subjects. The procedure to be adopted by Government servants in withdrawing funds from the public account for expenditure on central subjects shall be such as may be specified by the Governor General in Council.

13. *General rule.*—Unless in any case the Governor in Council, with the concurrence of the Auditor General, otherwise direct, moneys may not be withdrawn from the public account without the written permission of the treasury officer or of a Government servant of the Indian Audit Department authorised in this behalf by the Auditor General.

14. *Power of a principal auditor.*—A principal auditor may, subject to the general control of the Auditor General, permit withdrawal for any purpose.

15. *Instructions to treasury officers.*—(*a*) A treasury officer may permit withdrawal for the following purposes :—

(*i*) To pay sums due by Government to the drawing officer.

(*ii*) To place the drawing officer in funds to meet claims likely to be presented against Government in the immediate future by

(1) other Government servants or

(2) private parties.

(*iii*) To enable the drawing officer to supply funds to another Government servant from which to meet similar claims.

(*iv*) To pay direct from the treasury sums due by Government to a private party.

(*b*) Unless in any case it be otherwise expressly ordered by a principal auditor, a treasury officer shall not permit withdrawal for any purpose not specified in clause (*a*) of this order.

16. Except as provided in orders 23 and 24 below, a treasury officer shall not permit withdrawal for any purpose unless the claim for withdrawal is presented by such person and in such form, and has been satisfactorily submitted by the treasury officer to such checks, as the Governor in Council, with the concurrence of the Auditor General, may specify.

17. A treasury officer shall not honour a claim which he considers to be disputable. He shall require the claimant to refer it to the principal auditor responsible for the audit of the payment.

18. Except under the general or special orders of the Governor in Council, a payment shall be made in the district in which the claim arises.

19. The leave salary of a gazetted Government servant, who draws his leave salary in India, may be paid in any district in India. The leave salary of a non-gazetted Government servant may be paid in that district only in which his pay could be drawn if he were on duty.

20. Pensions payable in India may be paid in any district in India.

21. No withdrawal shall be permitted in order to meet the pay, leave salary or allowances of a gazetted Government servant, or a reward or honorarium payable to a gazetted Government servant, or any pension payable from general revenues, until an audit officer has intimated the rate at which payment should be made, provided that the Governor General in Council may, for special reasons and with the concurrence of the Auditor General, relax the provisions of this order.

22. No withdrawal shall be permitted in order to meet the first of any series of payments in a district of pay or allowances to a Government servant, other than a person newly appointed to Government service, unless the claim be supported by a last-pay certificate in such form as may be prescribed by the Auditor General.

23. In case of urgent necessity, a Collector may require a treasury officer to make a payment in contravention of order 16, 17, 18, 19, 21 or 22 above ; provided that the Collector records an order in writing and immediately sends a copy of the order, together with an explanation of the circumstances which rendered it necessary, to the principal auditor who will audit the payment. The treasury officer also shall intimate the payment to the principal auditor.

24. A treasury officer may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to him for payment, provided that he intimates to the drawing officer the correction which he makes.

25. *Instructions to drawing officers.*—A Government servant who is authorised to withdraw moneys by means of cheques shall notify to the treasury officer or to the local officials of the Bank, as the case may be, the numbers of the cheque books which from time to time he proposes to use and of the cheques which they contain.

26. When a Government servant who is authorised to draw or countersign cheques or bills payable at a treasury or the Bank makes over charge of his office to another, he must send a specimen of the relieving Government servant's signature to the treasury officer or the local officials of the Bank as the case may be.

SECTION IX.—*Responsibility for moneys withdrawn.*

27. (*a*) A Government servant supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the principal auditor, the Military Accountant General, or the Controller of Military Accounts concerned. In cases in which the acquittances of the actual payees are not sent for audit the Government servant supplied with funds shall be held personally responsible for seeing that payments are made to the persons entitled to receive them.

(*b*) If any doubt arises as to the identity of the Government servant by whom an account of such funds shall be rendered, it shall be decided by the Governor in Council.

28. A treasury officer receiving an intimation from an audit officer that moneys have been incorrectly withdrawn and that a certain sum should be recovered from a drawing officer must effect the recovery without delay and without regard to any correspondence undertaken or contemplated with reference to the retrenchment order ; and the drawing officer must without delay repay the sum by such method as the audit officer may prescribe.

SECTION X.—*General Exception.*

29. A Governor in Council may not, without the sanction of the Governor General in Council, so exercise any power conferred upon him by these orders as to impose upon the Bank in connection with Government business any responsibility which the Bank is not liable to undertake at the time when these orders come into force.

NOTE.—The above Treasury Orders have statutory authority in their application to provincial transactions only. In their application to central transactions they should be regarded as executive orders issued by the Governor General in Council (see paragraph 1 of the Introductory Notes to this Code).

APPENDIX A.

I. The public account is the account maintained of moneys which have passed into the custody of Government. It does not cover moneys paid to a Government servant in an official or any other capacity, unless such moneys have been paid by such Government servant into the Government account at a Treasury or the Bank.

II. (*a*) Except as provided in clause (*b*) of this rule, every Government servant shall, without undue delay, pay into the public account all moneys received by him as dues of Government or for deposit in the custody of Government ; and no Government servant shall deposit in a bank moneys withdrawn from the public account.

(*b*) (*i*) Accounts with a bank may be opened without restriction by the following classes of Government servants :—

An Administrator General.

An Official Trustee, Assignee or Receiver.

A Sheriff.

The Solicitors to the Government of India and the Government of Madras.

An Accountant General of a High Court or the Account Officer of a High Court on the Original Side.

(*ii*) To avoid risk of loss from Military treasure chests, Officers Commanding Units and others concerned with the administration of public funds in the Military Department may open accounts with a bank in their official capacity.

(*iii*) A Governor or a Lieutenant-Governor may permit his Private or Military Secretary to open an account for the deposit of funds under the personal control of the Governor or Lieutenant-Governor.

III. All accounts opened under these rules must be opened with the Bank, where it exists. If the Bank be not available, an account may be opened in a Post Office Savings Bank or with the approval of the local Government with any other bank.